

## 102ND GENERAL ASSEMBLY State of Illinois 2021 and 2022 HB3061

Introduced 2/19/2021, by Rep. Michelle Mussman

## SYNOPSIS AS INTRODUCED:

New Act

Creates the Digital Fair Repair Act. Provides that original equipment manufacturers shall: (i) make available to any independent repair provider or owner of equipment manufactured by the original equipment manufacturer the same diagnostic and repair documentation in the same manner as that information is made available to the manufacturer's authorized repair providers; and (ii) make available for purchase by the owner, his or her authorized agent, or any independent repair provider parts, inclusive of any updates to the embedded software of the parts, upon fair and reasonable terms. Requires manufacturers to make parts, tools, and documentation available when digital equipment is under an express warranty. Provides that a violation constitutes an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act. Authorizes enforcement by the Attorney General. Defines terms. Excludes motor vehicle manufacturers. Effective January 1, 2022.

LRB102 13867 JLS 19218 b

9

10

11

12

13

14

15

16

17

18

19

20

21

22

2.3

1 AN ACT concerning business.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 1. Short title. This Act may be cited as the Digital Right to Repair Act.
- 6 Section 5. Definitions. In this Act:

"Authorized repair provider" means an individual business that is unaffiliated with an original equipment manufacturer and that has an arrangement with the original equipment manufacturer, for a definite or indefinite period, under which the original equipment manufacturer grants to the individual or business a license to use a trade name, service mark, or other proprietary identifier for the purposes of offering the services of diagnosis, maintenance, or repair of digital electronic equipment under the name of the original equipment manufacturer, or other arrangement with the original equipment manufacturer to offer such services on behalf of the original equipment manufacturer. An original equipment manufacturer t.hat. offers the services of diagnosis, or repair of its digital electronic maintenance, own equipment, and that does not have an arrangement described in this subsection with an unaffiliated individual or business, shall be considered an authorized repair provider with respect

1 to such equipment.

"Digital electronic equipment" or "equipment" means any product that depends for its functioning, in whole or in part, on digital electronics embedded in or attached to the product.

"Documentation" means any manual, diagram, reporting output, service code description, schematic, or other guidance or information used in effecting the services of diagnosis, maintenance, or repair of digital electronic equipment.

"Embedded software" means any programmable instructions provided on firmware delivered with digital electronic equipment, or with a part for such equipment, for purposes of equipment operation, including all relevant patches and fixes made by the manufacturer of such equipment or part for these purposes.

"Fair and reasonable terms" for obtaining a part or tool or documentation means at costs and terms that are equivalent to the most favorable costs and terms under which an original equipment manufacturer offers the part, tool, or documentation to an authorized repair provider:

(1) accounting for any discount, rebate, convenient means of delivery, means of enabling fully restored and updated functionality, rights of use, or other incentive or preference the original equipment manufacturer offers to an authorized repair provider, or any additional cost, burden, or impediment the original equipment manufacturer imposes on an independent repair provider;

(2) that are not conditioned on or imposing a
substantial obligation or restriction that is not
reasonably necessary for enabling the owner or independent
repair provider to engage in the diagnosis, maintenance,
or repair of digital electronic equipment made by or on
behalf of the original equipment manufacturer; and

(3) that are not conditioned on an arrangement as an authorized repair provider.

For documentation, including any relevant updates, "fair and reasonable terms" also means at no charge, except that, when the documentation is requested in physical printed form, a charge may be included for the reasonable actual costs of preparing and sending the copy.

For software tools, "fair and reasonable terms" also means at no charge and without requiring authorization or Internet access or imposing impediments to access or use in the course of effecting the diagnosis, maintenance, or repair and enabling full functionality of digital electronic equipment, in a manner that impairs the efficient and cost-effective performance of any of those activities.

"Firmware" means a software program or set of instructions programmed on digital electronic equipment, or on a part for such equipment, to allow the equipment or part to communicate within itself or with other computer hardware.

"Independent repair provider" means an individual or business operating in this State that does not have an

arrangement as an authorized repair provider with an original equipment manufacturer, is not affiliated with any individual or business that has such an arrangement, and is engaged in the services of diagnosis, maintenance, or repair of digital electronic equipment, except that an original equipment manufacturer or, with respect to that original equipment manufacturer, an individual or business that has such an arrangement with that original equipment manufacturer or that is affiliated with an individual or business that has such an arrangement with that original equipment manufacturer, shall be considered an independent repair provider for purposes of those instances in which it engages in the services of diagnosis, maintenance, or repair of digital electronic equipment that is not manufactured by or sold under the name of that original equipment manufacturer.

"Manufacturer of motor vehicle equipment" means a business engaged in the business of manufacturing or supplying components that are used in the manufacture, maintenance, or repair of a motor vehicle.

"Motor vehicle" means a vehicle that is designed for transporting persons or property on a street or highway and is certified by the manufacturer under all applicable federal safety and emissions standards and requirements for distribution and sale in the United States. "Motor vehicle" does not include:

(1) a motorcycle; or

1 (2) a recreational vehicle or an auto home equipped
2 for habitation.

"Motor vehicle dealer" means an individual or business that, in the ordinary course of business, is engaged in the business of selling or leasing new motor vehicles to an individual or business pursuant to a franchise agreement, has obtained a license under the Illinois Vehicle Code, and is engaged in the services of diagnosis, maintenance, or repair of motor vehicles or motor vehicle engines pursuant to that franchise agreement.

"Motor vehicle manufacturer" means a business engaged in the business of manufacturing or assembling new motor vehicles.

"Original equipment manufacturer" means a business engaged in the business of selling, leasing, or otherwise supplying new digital electronic equipment manufactured by or on behalf of itself to any individual or business.

"Owner" means an individual or business that owns or leases digital electronic equipment purchased or used in this State.

"Part" means any replacement part, either new or used, made available by an original equipment manufacturer for purposes of effecting the services of maintenance or repair of digital electronic equipment manufactured by or on behalf of, sold, or otherwise supplied by the original equipment manufacturer.

"Tools" means any software program, hardware implement, or other apparatus used for diagnosis, maintenance, or repair of digital electronic equipment, including software or other mechanisms that provision, program, or pair a new part, calibrate functionality, or perform any other function required to bring the product back to fully functional condition.

8 "Trade secret" has the meaning ascribed to that term in 9 the Illinois Trade Secrets Act.

10 Section 10. Availability of parts; requirements.

- (a) For digital electronic equipment and parts for such equipment sold or used in this State, an original equipment manufacturer shall make available, for purposes of diagnosis, maintenance, or repair of such equipment, to any independent repair provider or to the owner of digital electronic equipment manufactured by or on behalf of, or sold or otherwise supplied by the original equipment manufacturer, on fair and reasonable terms, documentation, parts, and tools, inclusive of any updates to information or embedded software. Nothing in this subsection requires an original equipment manufacturer to make available a part if the part is no longer available to the original equipment manufacturer.
- (b) For equipment that contains an electronic security lock or other security-related function, the original equipment manufacturer shall make available to the owner and

- 1 to independent repair providers, on fair and reasonable terms,
- 2 any special documentation, tools, and parts needed to disable
- 3 the lock or function, and to reset it when disabled in the
- 4 course of diagnosis, maintenance, or repair of the equipment.
- 5 Such documentation, tools, and parts may be made available by
- 6 means of an appropriate secure system.
- 7 (c) When the original equipment manufacturer has made an
- 8 express warranty with respect to digital electronic equipment
- 9 and the wholesale price of the equipment is \$100 or more, the
- 10 manufacturer shall provide such parts, tools, and
- documentation as needed to enable the repair of the equipment
- 12 during the warranty period, at an equitable price and
- 13 convenience of delivery and of enabling functionality, in
- 14 light of:
- 15 (1) the actual cost to the original equipment
- manufacturer to prepare and distribute the part, tool, or
- documentation, exclusive of any research and development
- 18 costs incurred;
- 19 (2) the ability of owners and independent repair
- providers to afford the part, tool, or documentation; and
- 21 (3) the means by which the part, tool, or
- documentation is distributed.
- 23 Section 15. Enforcement by Attorney General. Violation of
- 24 any of the provisions of this Act is an unlawful practice under
- 25 the Consumer Fraud and Deceptive Business Practices Act. All

11

12

1.3

14

15

16

17

18

19

20

21

22

23

24

- 1 remedies, penalties, and authority granted to the Attorney
- 2 General by that Act shall be available to him or her for the
- 3 enforcement of this Act.
- 4 Section 20. Limitations.
- 5 (a) Nothing in this Act shall be construed to require an 6 original equipment manufacturer to divulge a trade secret to 7 an owner or an independent service provider except as 8 necessary to provide documentation, parts, and tools on fair 9 and reasonable terms.
  - (b) No provision in this Act shall be construed to alter the terms of any arrangement in force between an authorized repair provider and an original equipment manufacturer, including, but not limited to, the performance or provision of warranty or recall repair work by an authorized repair provider on behalf of an original equipment manufacturer pursuant to such arrangement, except that any provision in such terms that purports to waive, avoid, restrict, or limit the original equipment manufacturer's obligations to comply with this Act shall be void and unenforceable.
  - Section 25. Exclusions. Nothing in this Act applies to a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity, or to any product or service of a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle

- dealer acting in that capacity.
- 2 Section 30. Applicability. This Act applies with respect
- 3 to equipment sold or in use on or after the effective date of
- 4 this Act.
- 5 Section 99. Effective date. This Act takes effect January
- 6 1, 2022.